1982 LEGISLATIVE PROGRAM OF THE DISABLED AMERICAN VETERANS

HEARING

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS HOUSE OF REPRESENTATIVES

NINETY-SEVENTH CONGRESS

SECOND SESSION

FEBRUARY 23, 1982

Printed for the use of the Committee on Veterans' Affairs

Serial No. 97-50

U.S. GOVERNMENT PRINTING OFFICE

91-936 O WASHINGTON : 1982

H761-14

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1982 LEGISLATIVE PROGRAM OF THE DISABLED AMERICAN VETERANS

TUESDAY, FEBRUARY 23, 1982

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS AFFAIRS,
Washington, D.C.

The committee met, pursuant to notice at 9:05 a.m., in room 345, Cannon House Office building, Hon. G. V. (Sonny) Montgomery (chairman of the committee) presiding.

Present: Representatives Montgomery, Brinkley, Edgar, Hall, Leath, Boner, Mica, Daschle, Gramm, Hammerschmidt, Heckler, Hillis, Sawyer, Solomon, Jeffries, McEwen, Dunn, Smith of New Jersey, Smith of Alabama, Dorgan, Won Pat, Napier, and Dowdy.

OPENING STATMENT OF CHAIRMAN MONTGOMERY

The CHAIRMAN. The meeting will come to order.

This is our first meeting of the full House Veterans' Affairs Committee and it is certainly a privilege that it can be with Disabled American Veterans, one of our great veterans, organizations.

I have a few remarks to make and then I will recognize the ranking minority member, Mr. Hammerschmidt.

But let me say that this is a timely meeting because on March 10, for the information of the committee, I have scheduled a markup in the full committee at which time we will establish our views on the proposed fiscal year 1983 budget.

We certainly want to welcome the commander of the Disabled American Veterans, Chairman Roodzant of Santa Ana, Calif. Sherman Roodzant is no stranger to Members of the House. He served as a professional staff member of the Committee on Science and Technology and he got his training under a former chairman of this committee, Tiger Teague.

Commander Roodzant is an Army combat-disabled veteran of the Vietnam war. He was severely wounded on May Day of 1968 while on patrol outside of Saigon, so certainly he knows the combat veterans.

We are certainly glad to have him, and he will be introduced by one of our close friends, Bob Badham, who is a Representative from the 40th District of California. I have been privileged to serve with Congressman Badham on the House Armed Services Committee where he is a very important member of that committee.

It is my privilege, if the national commander has no objection, to introduce the officers at the head table.

Dale Adams, the national adjutant; Gabby Hartnett, Art Wilson, Rick Heilman, and Ron Drach sitting at the head table. We work with these gentlemen and it is a real pleasure to work with them. They have one of the best staffs on Capitol Hill looking after the veteran.

I would like also at this time to introduce Mrs. Betty Hall, who is the national commander of the Ladies Auxiliary.

Would you stand?

I always like to say this for the newer members of the Veterans' Affairs Committee; we are one of the few committees that applaud witnesses. In other cases that you see on television the witness comes out sometime pretty beat up.

My colleague from Mississippi has not shown up. He is a new member of the committee, Mr. Wayne Dowdy. We will recognize him when he does get here. We have another new member that I am quite familiar with, who wanted to get on the committee as soon as he came to Congress, John Napier of South Carolina, but Mr. Hammerschmidt, the ranking minority member will introduce Mr. Napier, and the Chair recognizes Mr. Hammerschmidt.

STATEMENT OF HON. JOHN PAUL HAMMERSCHMIDT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARKANSAS

Mr. HAMMERSCHMIDT. Thank you, Mr. Chairman.

I join you in welcoming our guests this morning. We always enjoy having the national commander of the DAV present the organization's legislative program, and I am looking forward to hearing him. He understands the way things happen up here on Capitol Hill because as the chairman said, he used to work here. He is a fine spokesman for the DAV and for disabled veterans everywhere.

I am also delighted that Bob Badham is with us to introduce you, because he is one of our finest colleagues here on Capitol Hill.

Mr. Chairman, I am pleased to introduce a new member of our committee, Mr. John Napier of Bennetsville, S. C. He is a graduate of Davidson College and has his law degree from the University of South Carolina. He had active duty in the U.S. Army Reserve. John knows a great deal about veterans' affairs having served as minority counsel and professional staff member to the Senate Committee on Veterans' Affairs prior to the time he ran for Congress. I am sure he will make a very fine addition to this committee so we all welcome John Napier to our ranks.

Thank you, Mr. Chairman.

The CHAIRMAN. Without objection, I would like to make one other introduction and that is of an old friend, a good friend of all of us, Oliver Meadows, who is a former general counsel of the House Veterans' Affairs Committee, and former National Commander of the DAV. Oliver Meadows, stand up.

The Chair recognizes Mr. Badham for an introduction of the National Commander.

Mr. BADHAM. Thank you very much, Mr. Chairman, Mr. Hammerschmidt, and members of the Committee.

It is a great pleasure for me to have the opportunity to introduce a constituent of mine and a friend, Sherman Roodzant of Santa Ana, Calif., a part of my district.

He is the National Commander of DAV which is the third largest veterans' organization in our country. He is here, of course, to present DAV's 1982 legislative program and give you the concerns currently of the DAV.

During the past 10 years Sherm has served in a number of State and national leadership posts in DAV. When he was elected Commander by the California DAV in 1974, he became the first Vietnam veteran to head up a DAV State department.

In Vietnam, as Chairman Montgomery said, Mr. Roodzant saw combat with the 127th Wolfhound's Regiment of the 25th Infantry Division of the Army. He was seriously injured by an enemy land mine explosion on patrol action near Saigon.

After his medical discharge from the Army, he attended Cerritos College then joined H&W Computer Services as a programmer analyst. He was vice president of that company when he left in 1976 and came, as Chairman Montgomery said, to Capitol Hill to be a professional staff member with the House Committee on Science and Technology involving himself with scientific and space technology applications to and with the problems of the handicapped.

He is also a member of the American Management Association, Data Processing Management Association, the American Association for the Advancement of Science, the American Legion, VFW, Military Order of the Purple Heart, and Elks.

In addition he serves on two national committees of the Boy Scouts of America. He and his wife, Martha, who live in Santa Ana, have two children; Stephen and Rebecca.

Mr. Chairman, Mr. Hammerschmidt, and members of the committee, it gives me a great deal of pleasure to present to you for purposes of testimony, the Commander of the Disabled American Veterans, Sherman Roodzant. [Applause.]

STATEMENT OF SHERMAN E. ROODZANT, NATIONAL COMMANDER, DISABLED AMERICAN VETERANS, ACCOMPANIED BY DENVEL ADAMS, NATIONAL ADJUTANT; GABBY HARTNETT, NATIONAL DIRECTOR OF SERVICES; ART WILSON, NATIONAL SERVICE DIRECTOR; RICK HEILMAN, NATIONAL LEGISLATIVE DIRECTOR, AND RON DRACH, NATIONAL EMPLOYMENT DIRECTOR

Mr. ROODZANT. Thank you very much, Mr. Badham, for that very fine introduction.

Mr. Chairman, with your consent, I would like to introduce a few more of our DAV officers who are with us here today. Behind me seated is our National Senior Vice Commander, Edward G. Galian from the great State of New York.

First Junior Vice Commander, Dennis A. Joyner from Pennsylvania.

Third Junior Vice Commander, Chad Colley from Arkansas.

Fourth Junior Vice Commander, Henry W. Prokop of Nebraska.

We also have with us our National Chaplain, the Rev. Thomas Meersman from Utah.

The National Judge Advocate Boniface Maile from Michigan.

We are also fortunate to have with us the Adjutant of National DAV Auxiliary, Miss L. 'Kit' Seal.

And my National Chief of Staff, from California, Kenneth Musselman.

Mr. Chairman, I would like all our DAV national executive committee to also stand and be recognized.

And another group that works very hard for our organization, and you come to know well as the legislative interim committee. Will you please stand and be recognized.

And last but not least, Mr. Chairman, it is my commander, my wife, Martha and my two children are over here from Santa Ana with us.

Mr. Chairman, Mr. Hammerschmidt, and members of the committee, on behalf of the 700,000 members of the Disabled American Veterans, and our 85,000-member Auxiliary, may I say it is a distinct honor and pleasure for me to appear before this committee in prsentation of the DAV's 1982 legislative program.

Mr. Chairman, in prior appearances before this committee, National Commanders of the DAV have generally devoted a major portion of their oral presentations to addressing the several priority legislative goals that were approved by our delegates to our organization's most recent national conventions.

I have decided to depart from that format today.

This should not be construed as a deemphasis on my part regarding the merit or necessity of our 1982 legislative goals. Nor should it be thought that the DAV will not aggressively pursue them to their fruition. They are reasonable and just, designed primarily to benefit those most deserving and most in need—the wartime service-connected disabled veteran, his dependents and survivors.

As an attachment to these oral remarks, you will find my comments relative to certain VA program improvements that were approved in resolution form by the delegates to our 1981 National Convention. All have been the subject of recent, informal discussion between our Washington staff and your own committee and subcommittee counsels. I urge your sympathetic, favorable consideration of these measures as this second session of the 97th Congress progresses.

But for now, Mr. Chairman, I wish to say some things that I believe would be voiced by virtually every wartime veteran in this country, had they this same opportunity. I have been given the formidable task of speaking on their collective behalf and I ask that you remain cognizant of this during my remarks.

In addition to you and the members of this committee—who have on so many occasions "fought the good fight" for all of us—I want you to keep in mind that I am really speaking to the Congress as a whole. For the great issues and concerns that confront our Nation's system of veterans' benefits and services today can only be resolved through a consensus reached by all of your colleagues in the House of Representatives and the Senate.

Mr. Chairman, today in our country, we veterans are confused, angry, and just plain scared.

We are confused because we thought the statutory protection accorded our benefit system was based upon that time-honored invio-

late premise: Yes, those who served in time of war are deserving of a special status in their country.

Yet we hear and see people in policymaking positions both in and out of our Government calling for dissolution of our benefit programs stating that we veterans are a drain on the American taxpayer, and that those of us who do have benefit eligibility and do use the system should be relegated to the role of just another public charge.

We ask ourselves: Are not the vast majority of 30 million living veterans also taxpayers? Haven't we been productive, hard-working citizens most of our lives? Don't we veterans and our families, who comprise almost one-half of our Nation's total population, have the same stake in our society and don't we share in the same day-to-day sacrifices and setbacks that confront all Americans?

And we wonder just what happened to all the praise and all the words of support that were lavished upon us when we put on our uniforms and marched off to four major wars in just this century.

We are angry because we read editorials in newspapers across the country and hear statements from high public officials that blandly imply that we veterans "have it made" at public expense.

"Veterans Finding no Austerity" proclaims the New York Times.

"The Veterans' Administration is the fattest pig we have, it is time the veterans shared in solving the problems of this country" are words spoken on the floor of the U.S. Senate.

And from a House Member pondering the future cost of VA medical care we hear:

> One possible solution is increase the eligibility requirements of veterans—merge veterans' services with other benefit programs—use community facilities instead of VA.

And again, Mr. Chairman, we ask ourselves, aren't these people aware that the VA has been taking its fair share of cutbacks for years? That the VA's proportionate share of total Federal outlays has been steadily declining for over a decade, from 4.6 percent in 1971 to only 3.5 percent just this last year? That real growth in VA programs outlays has, in fact, been negative growth?

Don't they know, Mr. Chairman, or care, about hospital bed losses, treatment ceilings, and physician and nursing shortages that have all been combined to turn thousands of eligible veterans away from the system?

Do they realize that recently instituted pension reform has stiffened eligibility requirements, focused benefits on those with poverty level incomes, and already reduced program costs by millions of dollars?

Why do groups like the Heritage Foundation, that advocate the sale of VA hospitals to the private sector, refuse to acknowledge that "mainstreaming" indigent veterans would only result in additional Federal expenditures and compound the problems of hospital cost containment?

What kind of mentality is it that believes veterans have not shared in our country's problems?

Mr. Chairman, we are scared in the sense that every man fears for his financial security of his family. Will a lengthy illness wipe out our savings because we find we are no longer eligible for a VA

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hospital bed? Will some in Congress again attempt to save hundreds of millions of dollars by striking many of us from the compensation rolls? What are the real purposes of the so-called program reviews that are occurring with more and more frequency and will we lose our VA regional offices through consolidation?

Mr. Chairman, this atmosphere of fear and apprehension has come to a point where many of us hesitate to seek medical treatment for our service-connected disabilities because we are afraid the VA will use the occasion to take away or reduce our benefits. We are losing our trust in that agency. Is this what the Congress wishes? Is this to be the final solution to what some regard as a veteran problem—force us out of it or frighten us away from the system?

Mr. Chairman, like it or not, veterans' benefits are part of the costs of war. And it is time our Nation's leaders responsibly face up to that fact.

John F. Kennedy once said:

> A nation reveals itself not only by the men it produces, but also by the men it honors, the men it remembers. We owe a continuing debt to those men and women who have put aside their lives to serve in this country's Armed Services.

That is the moral side of the question and I submit to you that how it is answered can and will affect the future strength of America just as much, if not more so, than any answer based on economics.

Mr. Chairman, let me just take a few moments to set the record straight on VA spending levels. Just how much have they contributed to the financial chaos which some say faces our Federal Government today?

I would like you to consider some figures concerning the Federal social welfare spending that has occurred in this country during the past 30 years. The entire gamut of public assistance programs—huge portions of which go to categories who have never done a thing for this country, much less risked their lives—are compared to veterans in this chart.[1]

Is there any doubt in anyone's mind regarding the deterioration and loss of priority that has occurred in VA spending levels during this short 30-year period? From a low of a 20-fold increase for the health and medical category to the unbelievably high 397-fold increase for housing, all nonveteran social welfare spending has risen astronomically. And the VA over the same period? A threefold increase.

Mr. Chairman, even if 1950 VA benefit levels had remained constant during this 30-year period one could not criticize the increase in VA spending, for the rate of inflation during that same period rose by some 242 percent.

But the agency was not faced with just rising costs alone.

From 1950 to 1980 our Nation fought in two major armed conflicts—one of which was the longest in our history. Our veteran population increased from some 18½ million to over 30 million. Hundreds of thousands of veterans were added to the compensation and pension rolls. Two major GI bill programs educated hundreds

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[1] The chart referred to above appears on p. 26.

of thousands more. Facing up to our Nation's responsibility to provide adequate medical care for veterans 20 separate major health care bills were approved by the Congress and 19 hospitals were added to the system.

And yet this increase in consumer demands was met, this expansion of the system was accomplished, within the confines of a threefold budget growth. Isn't it a shame that all of our Nation's so-called social obligations could not have been addressed in a similar fashion? Rather than criticizing and cutting back on VA programs, we should do all that we can to insure their viability and hold them out for emulation.

The "fattest pig" indeed. Is it any wonder that veterans in this country fear for an objective analysis of their programs?

And let me emphasize, Mr. Chairman, that we veterans, especially those of us who are service-connected disabled, recognize that objectivity and responsibility is a two-way street. The DAV even in the best of times, has always made a conscious effort to approach this committee and the Congress from a standpoint of moderation. Reasonable, justifiable program improvements combined with the protection of program integrity have been our fundamental goals in advancing the interests of the wartime disabled.

And in hard times such as we have now, we have been and will continue to be, willing to sit down with this committee and those of the Budget and Appropriations in a realistic discussion of adequate VA funding with available finite resources.

And in the spirit of objectivity, I will state that there are certain aspects of the fiscal year 1983 budget request which do meet with our approval. With a few exceptions, this is especially true in the area of health care. Whether this is a genuine turnaround on the part of OMB or merely an election year respite remains yet to be seen.

Conversely, I am appalled to note that of the $233.6 million proposed legislative savings, over one-half—$165.4 million—would be achieved through major reductions in the benefits of thousands of service-connected disabled veterans—many of whom would be combat disabled and most of them would be from the Vietnam era.

Aside from the obvious dollar factor, there appears to be little rhyme or reason for this attack on service-connected benefits. Consider just one brief example:

Would anyone in this Congress care to attempt to explain or justify to a service-connected below the knee amputee who has a wife and two children like myself, that commencing October 1, 1982, his monthly benefit check will be increased by $19 and, effective the same date, reduced by $61—a net loss of $42 per month?

If accepted by the Congress, this is exactly the type of "good news/bad news" type joke that would be played upon thousands of disabled veterans by the administration's proposal to increase basic compensation rates while concurrently eliminating certain dependency allowance entitlements. Needless to say we in the DAV are not laughing.

Mr. Chairman, at the outset of my remarks, I underscored that, through you, I intended to address the entire Congress. I now wish to narrow my focus to you and the members of this great committee.

The Disabled American Veterans, indeed, as are all veterans in this country, are in your debt. You, Mr. Chairman, Mr. Hammerschmidt, and all the members of this committee and its most excellent staff are our true friends on Capitol Hill. We know that. We deeply appreciate that.

Your door has always been open to us and you have always given our legislative objectives your undivided attention. Many times you have acted favorably and decisively upon them. Title 38, our codification of veterans' laws, includes many benefits and services that began as DAV National Convention mandates. And on those occasions when we found ourselves not in total agreement, you have always been honest and forthright in stating your position.

Just this past year the personal intervention of you and Mr. Hammerschmidt and others, turned what could have been disaster into victory for our VA programs. Regional office consolidation was thwarted, hospital staffing and bed levels were protected, the contracting out of essential agency services was rebuffed and elimination of the 10-percent service-connected rating for hundreds of thousands of veterans was turned aside.

We are indeed fortunate to have a House Veterans' Affairs Committee of such high caliber.

Mr. Chairman, this completes my formal presentation and I know that in the coming year those of us who consider ourselves to be veterans' advocates will be sorely tested in fulfilling our responsibilities. Working together, I am confident that we shall not fail.

Thank you again for the opportunity to appear before you today.

[The statement of Mr. Roodzant appears on p. 25.]

The CHAIRMAN. Thank you, Mr. Commander, for that very, very strong statement. We feel on this committee that we do have a good working relationship with the veterans' organizations and with the Congress and with this administration. All I can say is we did try in 1981. We tried to stay on top of things and I hope this can happen for the veterans in 1982.

On page 7, Mr. Commander, you summed it up pretty well when you pointed out the increases in other Government departments and how the veterans' programs have only had slight increases. This is an excellent point and it should be—our colleagues should know this and we have tried to give the veterans' programs to the really deserving and to take care of our own. We just haven't thrown money at the problem as we have in other Departments of the Government and it shows in the increase that we have had.

I would like to just briefly point out to the committee that we will operate under the 5 minute rule and that you will be recognized based on the order in which you arrived. That's the best way to do it and I am sure the Members understand that.

Having said that, I would like to introduce my Mississippians of the DAV who are here. I want you to applaud, but please hold your applause until I have introduced them all. I want to have them stand up and I want to get a picture made after we have this great meeting.

A. C. Jones is department commander of the State of Mississippi. Miss Elizabeth Foster, auxiliary senior commander, Mr. Alfred Foster, department adjutant, Mr. Benny Covington, I talked to him on the phone last night, department junior commander, Mr. Mark

Clarry, national service officer, who works out of the VA regional office. I wish you would join me in applause for my group. [Applause.]

One person who works for DAV on the Hill here and we did some television together not long ago, my good friend, Butch Joeckel. Where is Butch, I haven't seen him. There he is, over there.

The Chair recognizes Mr. Hammerschmidt.

Mr. HAMMERSCHMIDT. Thank you, Mr. Chairman.

Commander Roodzant, you have stated in effect that you have had a difficult task of attempting to be a collective voice of disabled veterans in our country. And that is a most challenging assignment, but you have certainly met it well this morning. I have always had the greatest respect for the DAV. You speak for a very select clientele. It is one of the very reasons for the existence of this committee and the reason for our nation's veterans program. The voice of your organization has always been a voice of moderation. But it has been a very loud voice when you have felt that the basic rights of your membership were being threatened.

I hear that kind of voice this morning, very clearly, and I am concerned, Mr. Commander, about what I hear. Commander Roodzant, I want to comment upon some of your concerns and statements.

This Member of Congress believes that those who served our country in time of war deserve a special status. Those who were disabled by military service must be the prime concern of the Congress and the people of this Nation. Disabled veterans are not a drain on the American taxpayer and benefits for them are a continuing cost of war. Disabled veterans must never become public charges and finally, any position on any matter that is inconsistent with what I have just said will have my unrelenting opposition and I am sure the same unrelenting opposition from this committee.

Mr. Commander, you have stated that service-connected veterans in this country are confused, angry, and just plain scared. I am sure that the committee will be doing all that it can to allay that confusion, quiet that anger, and dispose of that fear. To do otherwise would be contrary to the entire history of our committee. Service-connected disabled veterans should never need to be confused about their legitimate benefits and they should never need to have any fears about maintaining and improving them.

Mr. Commander, you stated that we are friends, the members of this committee and the DAV. We appreciate that because you represent a very special segment of our society that has earned our highest respect. We would take most seriously any assault upon it.

Finally, Mr. Commander, I want you to know that we value greatly the assistance that we receive from your very fine staff. They are real experts in the field of veterans affairs. Rick Heilman, Butch Joeckel, Gabby Hartnett, Ron Drach, and all the others work very closely with our committee and I want to congratulate the DAV on having such excellent Capitol Hill representatives.

Lastly, Mr. Chairman, I am pleased to see old friends from Arkansas in the audience. With us today are State Commander Adrian Hunt, Senior Vice Commander Chad Colley who is also the national junior vice commander, and Past National Commander

Cecil Stevenson. Chad's wife, incidentally, is also here and many others from Arkansas whom I am pleased to welcome in a special way this morning. Thank you.

The CHAIRMAN. Before the Chair recognizes Congressman Brinkley, Congressman Daschle has to go to an Agriculture Committee meeting. Just to recognize him—he won't say anything—the Congressman from South Dakota, Congressman Tom Daschle.

Mr. DASCHLE. Thank you, Mr. Chairman.

The CHAIRMAN. The Chair would like to recognize an old and close friend on kind of a sad occasion. Congressman Jack Brinkley from Georgia, who is a former chairman of the Subcommittee on Housing. Jack has decided that he wants to go back to Georgia. We are going to miss him. He is a veteran himself and he has been a distinguished member of this committee—well, what I am saying is this is the last time he will be with us when the DAV testifies before this committee. So it is a privilege for the Chair to recognize Jack Brinkley.

Mr. BRINKLEY. Thank you, Mr. Chairman.

But the news is the fact that since Mr. Danielson is going back to California, I might change my mind.

It has been a real privilege for me to serve in the Congress with you, Mr. Chairman, and with members of this fine committee, and to be on the Veterans' Affairs Committee as well as the Armed Services Committee. I think we occupy a unique role toward maintaining the strength of our country and having unique insight into the men and women who have made our country strong. I think, Commander, you expressed it so very well in quoting President Kennedy, how we deal with those special men and women is really a measure of ourselves, and of the great and good country which we all serve.

Having begun my service in Congress on the old Science and Astronautics Committee during the Apollo days, I especially welcome you and feel a strong attachment and sentiment for you. I am glad to see that California is aboard and joining the State of Georgia and other fine States of the Union in stressing veterans issues and veterans affairs.

I want to tell you what a fine staff, according to what someone has already said, which you have in Washington. Your staff does good work, has a fine track record, and when you speak you are listened to because the evidence of your service to the country is clear and you are entitled to great respect. You do receive it in the Halls of Congress and I expect that your statement will receive a great deal of attention.

I just wish to thank you, Commander.

May I introduce those of my State of Georgia, the Empire State of Georgia, who are here with us today. We have already had stand our fifth district national executive committee member, but I would like him to stand again, as well as the others. Emmett Gore, please. And if we can reserve our applause for just a minute. Mr. Billie Nix, who leads our Georgia delegation; the State DAV commander, Billie Nix and with him is Mary Howard, State DAV senior vice commander; Billie Braswell of my Third District of Georgia State, adjutant treasurer and past commander; John

Davis, past State commander; and finally Mr. Gilbert Greer, who is with the regional VA hospital in Augusta, Ga.

We express our appreciation to you who are here from Georgia and if we could give them a round of applause, I would appreciate it. [Applause.]

The CHAIRMAN. Next, the Chair will recognize the gentleman from Michigan, Mr. Harold Sawyer.

Mr. SAWYER. Thank you, Mr. Chairman. We have a delegation here from Michigan. I wonder if they would please stand and be recognized. Thank you.

When I first came down to Congress some 5 or 6 years ago, I noticed that for some reason or other Michigan had never gotten any representation on this committee and we had a very active and vigorous group of veterans and veteran organizations. I started a little campaign when I noticed that Ohio and Texas seemed to have kind of divided up the whole committee. They had about five or six chairs a piece, as I recall it. Well, since then we have managed—I have managed to get myself on it and then I sort of like the camel's nose under the tent, we now have Jim Dunn from Lansing on, we have Mark Siljander from down in the St. Joe-Benton Harbor area. He isn't here today. So we have got three of us now. Ohio can't push us around.

Anyway, I am very delighted to be able to be here and be able to assist particularly this veterans organization. I think that the DAV of them all and I a lot of us are veterans who lucked out and spent our time and came out unscathed. But I think we all feel strongly and recognize—you know, there could well be we also. And to no group does the Nation owe an obligation like it does to those who not only bore the battle but bore the scars of the battle, too.

And I think we all recognize that here and have a particular fondness for this organization. And as I have heard some of my colleagues comment, of all the veterans groups, the ones that have really suffered and sustained some real damage are the most moderate in what they want and what they expect. I think that comes out loud and clear and I just want to say that, just to give you a little viewing of my own feelings for this organization. I am supposed to be over listening now to the Attorney General of the United States in our Judiciary Committee, and have him tell us what he wants for the Justice Department and I am absenting myself from him first to hear what this group wants.

Thanks very much.

The CHAIRMAN. Thank you very much, Hal Sawyer.

The Chair would like to recognize one of our subcommittee chairmen who has done an outstanding job working on the GI education bill that we think that the military services need again to get quality recruits and more retention in the military services. This bill has been reported out of our committee and Bob Edgar had a lot to do with bringing the bill out. It is pending now in the House Armed Services Committee, but it is needed very badly, in our opinion.

The chairman of this Subcommittee on Education, Training, and Employment, Congressman Bob Edgar, of Pennsylvania.

Mr. EDGAR. Thank you, Mr. Chairman. I, too, want to recognize those from Pennsylvania who have taken the time to come and

participate in this session of sharing the views of the DAV. We have as was introduced, Dennis Joiner, the first junior vice commander who is here. We also have Mike Grove, member of the national executive committee. If he will stand.

Also Dennis Ostash from Montgomery County, Samuel Rinella, who is the assistant adjutant for legislation of the DAV, and from Delaware County we have Ziggy from my district, Frank Bizer and John Ross. Will all of them stand, please?

While you are applauding, there are some others from Pennsylvania who are here but also there are a number of people who do not have members who serve on the House Veterans' Affairs Committee but have dedicated Members in the House who do care about veterans legislation. And so often when you come to Washington, you sit through as we recognize the representatives from our States and I wonder if we could give a round of applause for all of you who do not have members who happen to——

Mr. Commander, in your statement on page 2 at the bottom. I think you have the key sentence that is reflective in your whole statement. You say, "Mr. Chairman, today, in this country, we veterans are confused, angry, and just plain scared."

The word "confusion" I think marks the legislative calendar for 1982. We are sitting on top of some economic problems, we have got $100 billion deficits facing us for the next 3 years, policies are not changed. We have both within the administration and within the legislative bodies some concern that has been voiced about veterans benefits and you saw last year our action to reverse some decisions that were made by OMB on veterans legislation. This is a confusing time in the United States. It is also a time I think for anger to be expressed. I saw it particularly last year—when the Vietnam veterans who recognized their service had not been honored—confused and angry about the ticker-tape parades for our hostages, but not for our Vietnam veterans.

This committee I think has done a pretty good job in the last year in recognizing the needs of the Vietnam-era veterans moving on the issues like agent orange, the extension of the rehabilitation counseling centers, and have attempted in a number of legislative ways to try to address the needs of Vietnam veterans. We must do more.

I can understand the confusion and the anger. Being scared is another question that I think ought to be looked at because as I look across the room and particularly look at you, Mr. Commander, I see a person of courage. And while fear and being scared is something that all of us have experienced in our time, I think the Disabled American Veterans have shown a great deal of courage. Courage in your legislative actions, courage in the staff that you have sent to Capitol Hill to lobby on your behalf, and courage in standing up for the disabled veterans. And I think that as long as there is that courage, the fear in being scared can be overcome and as long as that courage is there, I think the confusion and anger can also be overcome.

So I simply want to say in my statement that I respect and understand your confusion and your anger and I also respect your courage and I think this legislative year we can do some things together that can reverse that feeling of fear and being scared. I need

your help in my subcommittee on a couple of specific pieces of legislation.

I met this morning with Bill Nichols, who is the chairman of the subcommittee of Armed Services. It is responsible jointly with my subcommittee in producing a GI bill for the future. And he is very actively interested in moving legislation that was introduced by our chairman, Mr. Montgomery, called H.R. 1400. I hope that the DAV will help us and assist us in seeing that passage of H.R. 1400 takes place.

Second, Ron Drach of your staff has worked very actively with us in the last few weeks and months, particularly in the area of employment, discrimination, job training legislation. And our subcommittee hopes this year to move a major piece of legislation in the area of making sure that disabled veterans and veterans throughout the Nation are not disadvantaged by the high levels of unemployment throughout the Nation. And we are going to need your aggressive leadership to move legislation through the House and Senate to provide education and training opportunities for veterans.

Thank you for your time this morning.

The CHAIRMAN. Thank you, Bob.

The Chair would like to recognize, I believe I am correct, the only gentleman on this committee from our second largest State, New York, Congressman Gerald Solomon.

Mr. SOLOMON. Thank you, Mr. Chairman.

Mr. Chairman, I won't bother introducing the 130 strong members from New York State that are in town for this 2 or 3 days, but I would like to point out that the New York State commander and my constituent, Doug Jones, is with us out there someplace. He has got a canary yellow suit on. And, of course, to again call attention to Ed Galleon, our next national commander from Queens, N.Y. And if those gentlemen would stand up and all the other members from New York State, I would appreciate it.

And last, Mr. Chairman, let me just take the opportunity to thank Commander Roodzant for the outstanding testimony, the tell-it-like-it-is testimony that we all needed to hear. We will certainly relay this to the rest of the Members of Congress. I am a life member of your organization and your outstanding efforts, all of you, and your staff, have just been great and we really do appreciate it. So on behalf of all Disabled American Veterans in this country, our hats are off to you. Keep up the good work. Thanks a lot.

The CHAIRMAN. Another member of our committee has to go to another important committee meeting and I might say we really are having good attendance. So much is happening this week that we appreciate these Members coming by and getting a feel for what the DAV needs and wants. Congressman Dorgan of North Dakota, I wish he would stand up and be recognized. He has to go to another meeting, but thank you for being here this morning. Stand up.

Also Congressman Bud Hillis of Indiana was here and went to an Armed Services Committee meeting, but Mr. Hillis was here.

The Chair would like to recognize another chairman of a subcommittee, Marvin Leath of Texas. He has certainly done an outstand-

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ing job working on housing and memorial affairs. Marvin has shown a lot of interest in his subcommittee chairmanship.

Congressman Leath.

Mr. LEATH. Thank you, Mr. Chairman.

Commander, I want to extend my hearty welcome to you and your entire staff and, of course, certainly, echo the comments that have been made about your legislative staff and about the DAV, which without question is an outstanding organization.

I want to welcome also personally this morning Betty Hall, who leads our delegation from Texas; Jim, we are delighted and pleased to have Betty here and also my good friend Kip Seal. Kip, good to see you this morning.

And, Commander, I think your statement was outstanding. I think you adequately expressed not only the concerns of disabled veterans in this country but certainly, as you know, the concerns of this committee. I think that you will find this committee responsive to those concerns as we go through this legislative year as I think we have been responsive down through the years. Last year many changes were proposed by the administration. This committee was responsive to those changes and I was proud to have introduced legislation which was adopted by the committee and the House and passed into law, which for the first time sets a limit, a floor, on bed levels and I hope that this will stop the continuing deterioration that we have had down through the years in that the bed level drops in our health care system. I was also pleased to offer legislation that was adopted and passed which we hope will stop the attempts at closing the regional offices and consolidating facilities in the name of economy that certainly would be a great hindrance to the veterans of this country.

So I would just say to you that we appreciate your continued support and would like to echo the remarks of Congressman Hammerschmidt when he says that this committee recognizes that we have an obligation to continue to preserve the veterans benefits in this country and you can rest assured that we will do it.

Thank you.

The CHAIRMAN. Thank you, Congressman Leath.

The Chair would like to recognize the newest member of our committee from South Carolina, who was introduced earlier, Mr. Napier. John?

Mr. NAPIER. Thank you very much, Mr. Chairman.

Mr. Chairman, I would just like to say that it is indeed a pleasure to be on this committee. It is a committee I had wanted to serve on since coming to the House last year.

I learned about veterans' affairs when I was over on the Senate side as a member of that committee staff from people like Oliver Meadows, and people like Odell Vaughn, people like Gabby Hartnett, Rufus Wilson, and Mack Flemming. I think that tells you where I will stand on issues that are dear to your hearts.

I take this committee assignment very seriously. It comes after South Carolina had a chairman serve on this committee and we in South Carolina take a slot on Veterans' Affairs Committee very seriously in the tradition of your friend, Congressman Bryan Dorn.

You are a select group. There is no question about that. You come to us as those who have been disabled in the service of our country. Many of you are winners and holders of the Purple Heart.

You come to us as a strong spokesman for our Nation's veterans, Mr. Commander, as you have just been. And I would just like to say that I support you in your efforts toward having a strong, a viable, and an independent VA health care system and VA system all over. I would like to say also that we, the State commander from South Carolina from the Sixth Congressional District and Commander Joe Rayburn and the other South Carolineans who are here with us and we welcome them, and we appreciate your outstanding statement.

We look forward to working with you. Thank you very much.

The CHAIRMAN. I want to commend the gentleman from South Carolina. He is going to be a good Member. He didn't take his full 5 minutes. We give you 5 minutes, but it doesn't mean you have to take it. So I want to pass that on to the new Members.

The Chair is privileged to recognize another fine chairman. I had the privilege of being chairman of the Subcommittee on Compensation, Pension and Insurance. A very important committee, as all our subcommittees are, and Sam Hall has shown a great interest in it at a number of meetings, concerned about the compensation, pension and insurance programs.

The Congressman from Texas, Sam Hall, the Chair recognizes you.

Mr. HALL. Thank you, Mr. Chairman.

All of you who have not stood up that are from Texas, would you stand? We are glad to have all of you.

I think the guts, Mr. Commander, of what you said this morning is on page 7 where you show the rate of increase over the past several years with reference to expenditures by this Congress and by the past administrations.

And another thing that you said which I thought struck at the heart of a lot of the problems we are having, is on the bottom of page 6. "The entire gamut of public assistance programs—huge portions of which go to categories who have never done a thing for this country * * *"

I think if you look at page 7 and read it, with the bottom of that paragraph cn page 6, you see where the money expenditures has not gone. And it has not gone to the veterans programs of these United States.

You mentioned the Heritage Foundation and the New York Times. They don't write the laws for this country, and I am glad that they don't.

You made a comment over here on another page somewhere, on page 10, about a service-connected below the knee amputee who has a wife and children. What's going to happen? That's a proposal. There's a big difference between a proposal and a law. And I don't think that's going to pass into law if this committee has anything to do with the writing of what's going to happen in this Congress next year.

Go back to page 6 because page 7 makes me mad. When you see some of these social programs that have increased over 100 fold, some over 300 fold, and a lot of those areas are no better off today

than they were when they started these programs 25 years ago. But the veterans are still with us. The Disabled American Veterans and John Kennedy's statement has been mentioned several times. It's true. And if we don't look after the people who have shouldered a rifle and gone to war and who have come back in the condition that many of you are in, we're not worth our salt. And I just want you to know that as long as Sonny Montgomery and John Hammerschmidt and the other members of this committee are here, and who have the interest of the veterans at heart as they do, we are going to do everything within our power to see that the Veterans' Administration and the veterans and the disabled American veterans and all of those who have shouldered a weapon for this country are going to be protected. Thank you.

The CHAIRMAN. Thank you very much, Chairman Hall.

The next Member is from Kansas. I might say that any time we have called a veterans committee meeting, Jim Jeffries is always there. The Chair recognizes the gentleman from Kansas, Mr. Jeffries.

Mr. JEFFRIES. Thank you, Mr. Chairman.

That Sam Hall, he's something else, isn't he? Wouldn't you know those Texans——

The CHAIRMAN. Would the gentleman yield? What's happening is Oliver Meadows is pumping him up over here. [Laughter.]

Mr. HALL. He knows where his bread is buttered.

Mr. JEFFRIES. You can see we do have a little fun out there and we all get together and get along real well.

Commander, I want to just commend you on your presentation. I thought it was excellent. And you know we could go on and introduce members that are here present today from various States and so forth, but I really and truly believe this: I think this is the thing that we all want to remember and never forget. No matter from what State you are, we are all Americans.

And I want to say this, that as a vet myself, and I believe most members of this committee are veterans, that we are here because we want to be here. This is an important thing to us and I think most of you know that. And commander, I think you alluded to that.

But we believe that the veteran, DAV, and all are important. We are here because we really and truly want to serve that group. And I really believe that we have in the past and I don't think we are going to stop now. So I think we have your interests at heart and will continue.

Now, as far as Sam Hall from Texas was saying, there is a spot in your presentation, Mr. Commander, the page upsets me too, that page 7. I am just wondering as of that, as you all are, how many of those ran, turned, and ran, and went to another shore when their country called them. And how many of them have come back and are now part of those large figures of yours that we see in all of these programs. That makes me mad. I don't like that. Those that are willing to serve their country in its time of need should be taken care of and will be taken care of. Thank you.

The CHAIRMAN. Thank you, Jim.

The Chair would like to recognize the next gentleman; however, before recognizing Phil Gramm from Texas, let me say that the

DAV and other veterans' organizations owe a debt of gratitude to him. Phil Gramm had a lot to do with saving the budget for the veterans last year. Let's face it, this administration came in with a heavy cut and thanks to Gramm-Latta and this committee's working with Phil Gramm and other members of the Budget Committee, we were able to come out with a reasonable approach to the veterans budget program.

So the Chair would like to recognize Phil Gramm from Texas.

Mr. GRAMM. Thank you, Mr. Chairman. I would like to start by asking Oliver Meadows to stand up.

Oliver lives in my district and as all of you know, for a quarter of a century he made my predecessor look good on veterans matters. While he doesn't have quite as much to work with in me, he has been my friend and my adviser; he campaigned for me when I first ran for office, and I listened to Oliver Meadows on veterans affairs so if I ever do anything you don't like, call him, not me. [Laughter.]

I'd like to just simply make two points, and then I'm going along with Albert Lee Smith to represent you on the Budget Committee. The first point is that we on this committee know the difference between earned and unearned benefits. And when it comes to moving to put the Federal Government on a budget —something to which most members of this committee are absolutely committed— we are going to set priorities and at the very top of the list will be those who have made sacrifices to preserve this country in its prosperity and its freedom.

I would like to say second, and it is terrible to follow Sam Hall because, No. 1, he recognizes everybody from Texas before you get a chance to, and second, makes all the good points but I am going to go Sam one better. Not only do I not like this table on page 7, but I want to assure you that within the next 3 years we are going to change this table and if you will look at it in 1984, I pledge to you that those percentage changes will be significantly different.

Thank you Mr. Chairman, and thank you for your kind comments.

The CHAIRMAN. Thank you for your fine comments. We have had problems in the past that we really didn't have anybody that was a member of this committee serving on the Budget Committee and it was a problem for us. We had friends on the Budget Committee, but not someone that could carry the fight that we have needed. You and others certainly have changed this around.

We are now moving into the Smiths. We have three Smiths on this committee and they are all excellent members. The Chair would like to recognize Chris Smith of New Jersey.

Mr. SMITH of New Jersey. Thank you, Mr. Chairman.

I would like to begin by recognizing my delegation from New Jersey which is under the able leadership of Charles Julius, and if they could stand up and take a bow, I would appreciate it.

This morning they hosted a breakfast for the New Jersey delegation, Mr. Chairman, and Mr. Commander you will be happy to know as you say on page 2, they took your comments, and being other Members of the Congress, of course, made a very persuasive argument for them. And they also gave us very good background because as you know, only so much can be said in the oral presen-

tation. They gave us sufficient testimony to take back and all 15 Members and the 2 Senators I think were very much apprised of the DAV's position.

They only shared with us a concern—they laid out for us their State agenda with regards to the Newark office, the Lions operating room, the fact that we need another operating room there. The concern of helping to secure funds for an already approved nursing home in the State as well as laying out the Federal agenda.

I would like to note, Mr. Commander, and I think this is a credit to all of the veterans organizations, and that is the fact that last year when the Office of Management and Budget came to us, they had suggested some $800 million worth of budget cuts in the VA programs. This year—I think this is a reflection upon your work—they are asking for $233 million. And thankfully, through the work of the chairman and the ranking minority member, we were able to cut in half the amount that was knocked off the veterans budget last year. This year I am very confident that we are going to be able to get that number down significantly. So I think that's a credit to you, to the pressure you bring to bear on your individual Congressmen and women.

And finally, I just want to urge you to keep the pressure up. We are hearing your voices here in Congress and as many of the Members have said, we owe so much to the veteran who has given so much of himself out on the battlefield. And particularly to you, the disabled American veterans. Thank you.

The CHAIRMAN. Now we are moving into the Ohio delegation and the Chair is very pleased to introduce Bob McEwen from Ohio.

Mr. MCEWEN. Thank you, Mr. Chairman.

I would also like to introduce Vern Nigard, who is national executive committee member of the Disabled American Veterans and if he would stand, as well as all members of the Ohio delegation here this morning.

I see my good friend, Mr. Sawyer, has returned to the Judiciary Committee and recognizing the humiliation that Michigan goes through on an annual basis on the football field, I am not at all surprised that they would attempt to seek achievement in other fields of endeavor.

Recognizing the fact that Sam Hall got a copy of my remarks this morning, I won't attempt to repeat them, but to share with you Commander, that I want to personally assure the 2.5 million veterans who suffer from disabilities as a result of their military service, that I personally will never waiver in my commitment to the veterans with service-connected disabilities.

You loved your country and now is the time for your country to love you. It has been with great appreciation that I have listened to your presentation today. Ever since 1932 when the Congress of the United States presented a charter to the Disabled American Veterans, DAV has preserved its professional and courageous representation of these fine men and women. Today, 50 years later, the voice of the DAV is now stronger than ever throughout the Halls of the Congress and they echo the challenge that you have presented this morning to this committee and I assure you that it shall not be overlooked.

There are very simply no finer representation on Capitol Hill than that which you employ and I do not say this casually but there is no finer committee chairman than Congressman Montgomery and his assistant, our ranking Member, Mr. Hammerschmidt. [Applause.]

The CHAIRMAN. Thank you very much. Thanks for recognizing the ranking member and myself. I was applauding for myself, but I guess that's all right.

From a sister State, Alabama, we have two members to serve on our committee. The chair would like to recognize one of our fine members, Albert Lee Smith, one member of this committee from Alabama, Mr. Smith.

Mr. ALBERT LEE SMITH of Alabama. Thank you, Mr. Chairman.

I would like to recognize all the members of the Alabama delegation who are here with us today. If you would please stand?

As was indicated earlier those of us who serve on the Budget Committee do have a great responsibility, and there is no group that has given any more for this country than have you, than those who have received injuries, service-connected injuries.

I appreciate what you do and you have made it possible for us to continue to have freedom. We are blessed with freedom in this country, like no other nation in the world and we have a responsibility to help those who have paid an extra price to continue that freedom that is so dear and cherished by all of us.

It is a trying time in trying to keep the value of your benefits solid so that they will continue to be meaningful. I want to say that I appreciate each and every one of you and what you have done. I served in the service for 2 years and came out without any injury; sometime a little hurt pride when I was cussed out by my commanding officer, but I benefited from that time in the service and it was the greatest growing time in my life and I know that for those of you who suffered injuries it has continued to be painful and I appreciate you and am interested in seeing that you get equitable benefits for what you have given for your country.

Thank you.

The CHAIRMAN. Thank you Mr. Smith. I should have mentioned that you do serve on the Budget Committee which is certainly important to the veterans. We also have a former member of this committee who is on the Budget Committee, Bill Hefner of North Carolina. It has been helpful and we have to work through the Budget Committee so your work is certainly important to us on that committee. Jim Dunn of Michigan was here; he stayed for quite a while, but he did have to leave.

I failed to recognize one gentleman from my State and I wish you would stand up now. He is the State president of the Mississippi Ex-Prisoners of War and he had a lot to do with the passage of H.R. 1100 which the DAV strongly supported. Earl Darrington of Mississippi, would you stand up?

The Chair would like to recognize the gentleman from Mississippi. I have said some kind words about you before you got in here, Wayne, but Wayne Dowdy, a new member of this committee, from

Mississippi. We are certainly glad to have you on the committee. Mr. Dowdy.

Mr. DOWDY. Thank you very much, Mr. Chairman.

It is going to be a very great honor for me to serve on this committee, working with other members and working with and learning from you, the members of the veterans organizations and particularly the DAV. And I am really going to take a lot of pride in working with our chairman. The people of Mississippi are very proud of the chairman of this committee, General G. V. (Sonny) Montgomery. And I thank you for this opportunity to work with you on this committee. Thank you very much.

The CHAIRMAN. Thank you, Wayne.

I know that the commander and other members of the DAV have other places to go. We only have three more members so we are moving right along.

I might say that the next member of this committee is Congressman Won Pat from Guam, and I might say Mr. Won Pat has the newest regional office. The Veterans' Administration did open a regional office in Guam. It is not heavily staffed but it is out there and we are mighty proud of it. We are very proud of Mr. Won Pat.

Mr. WON PAT. Thank you, Mr. Chairman.

First I want to apologize for coming late to the committee. This morning as I was going to the committee I just passed this room and I didn't know, of course, that the hearing was to be held here. So I went on to the other room. I thought there was a convention here.

However, Mr. Chairman, colleagues of the committee, and DAV members here, coming here this morning, and as I looked down at this audience, it reminded me of an incident of a politican who was asked to address the inmates of a penitentiary. When he first spoke out and looked at the audience he started out by saying, "Fellow citizens." There was a chuckle here and there so he stopped for a while to think. Then he said, "Fellow convicts." At that time there was a roar of laughter because the joke was on him. Finally he said, "I don't know what to call you, but I am glad to see so many of you here." [Laughter.]

Indeed, I think that everyone of us are very happy to see many of you here. I have read your statement, Mr. Commander, and you ought to be commended for the excellent presentation. And I have no doubt that everyone, every member of this committee, will be very supportive of your statement.

I don't think there is a member from Guam here today. I know in Guam we have about 10,000 veterans and there are some numbers of disabled veterans. As you know, Guam is the only U.S. territory that was occupied during World War II and all of Guam were prisoners of war. So in that respect we can consider ourselves in Guam as all veterans, too.

But for many years the veterans of Guam have not been able to enjoy the blessings or the benefits provided for veterans. The reason for that is because there was no veterans office on Guam. And I want to say today that I am very grateful, and the people of Guam are very grateful to our chairman here, Sonny Montgomery, who was instrumental in having a veterans office established on Guam, which he has just explained to you.

So I want to say on my behalf and, of course, my very good friend, Mr. Hammerschmidt, the ranking member of this committee, who is a very close personal friend of mine, that has been very helpful in many of the things that I have been seeking in Congress, particularly legislation that affects the territory of Guam.

Now, the people of Guam, I can assure you, that although we have been forgotten in many ways because we are so remote and, as the old saying goes, what is out of sight is usually out of mind. And fortunately, we are now here to call the attention of not only the administration, but also the Members of Congress, recalling the problems of the veterans of Guam as well as the people of Guam.

And I want to say that you can depend upon the people of Guam because they will sacrifice not only their material possessions, but their lives if need be, when it is necessary.

And I attest to the fact that in the Vietnam war there were more casualties from Guam on the proportionate basis than any other State in the Union. That is a matter of record.

So, Mr. Chairman, and members, thank you for this opportunity to make these remarks today and again I want to congratulate all the veterans who are here today for this presentation and I think that you have a great cause and there is no doubt in my mind that your cause will be recognized in Congress and that it will be preferably acted upon. Thank you.

The CHAIRMAN. Thank you, Mr. Won Pat.

The gentleman from Florida, Mr. Mica has just consented to yield at this time to one of our most charming members of this committee, Margaret Heckler, the only lady on this committee. I might say that she was the author of the geriatics legislation or the research for aged people that we now have in our veteran centers, and it has certainly been an important move. She was the author and the sponsor and the pusher of seeing that we get a better report on aged and what treatment should be done through the Veterans Administration.

So the Chair recognizes the gentlelady from Massachusetts, Margaret Heckler.

Mrs. HECKLER. I thank my colleague, Dan Mica, for his consideration. I have to make a speech downtown so I have to leave.

However, I want to say that I really thought the statement and the presentation here was excellent, Mr. Commander, and I want to commend all of you for your presence. I especially want to recognize the Massachusetts delegation, Joe Harrel and all the others. Will you please stand? And I want to recognize the auxiliary leaders. Please stand.

You see, I believe that no post in America would survive without the auxiliary, gentlemen.

To my colleagues, I wish to say that in the Congress, where there are so many concerns, one of the major concerns for individual Members has been reapportionment, and when Massachusetts was to lose a congressional seat. The question was, since I am one of the few Republicans, one of two, and we are losing a seat, and we have a Democratic Governor and a Democratic legislature, how does the Republican survive. And let me give you the short answer: Veteran power.

The veterans lobbied for me for a winable district and I know they will lobby as well in the final event, and let me say that when I go in to legislative combat in Washington, I lobby and fight for them. And I think that's what this committee does.

We are very fortunate to have our General Montgomery here, Sonny Montgomery, he has us doing pushups every day for you, but fortunately we have a civilian head as well, John Hammerschmidt, who is more merciful.

But my message is simply this: First of all, you expressed fear in your statement. And I want you to put it aside. I want you to know your power and your strength and our support is nothing to fear but fear itself as we know.

And in fact, we do have an enemy. And we do have problems. But we can overcome them.

The second thing is that we have to be prepared for the continuation of political pushups. Nothing is accomplished in silence. The silent majority has not done anything. It is the active minority that controls America. And you are a strong factor of support and in fact not only have you served, but you have suffered for this country. What more can this country ask of you. So your cause is most deserving.

What can be done? Even the GREEC program, the geriatric program, is scheduled to be scaled down to nonexistence. What's the point of the program? The point of that was to look at the older veteran—and we are all getting older. The other alternative is worse. The fact is the aging veteran should receive special consideration and not be relegated to just hospital care if that can be avoided, or to an institution. The point of this is to keep people living in their own homes, and I ask for your continuing support and your political pressure to keep the GREEC program which can help all senior citizens, not just veterans, but primarily veterans. Keep it alive because this too is being phased out. This is a time for all of us to be "hecklers", and I think that I say we need a Heckler in Congress.

You in the veterans organization have every reason to get the attention of America to get the focus and to keep the focus. You deserve the benefits that you have acquired and more. And a better quality of health care, not a lesser quality. We won victories. We have more victories to win but we have to be prepared for the combat and be prepared to win them.

So I ask your political awareness on a continuing basis. I thank you for what you have done for the country. What you have done for our lives; for the freedom we enjoy. And thank you for your presentation today and your presence, but I wish to say that the mandate is clear: The victories will be won in the future. No easy victories. They will be ours because the veterans deserve it. Because of veteran power.

The CHAIRMAN. Thank you very much, Mrs. Heckler, for that strong statement. And don't forget to do your knee bends before you go downtown.

The Chair would like to recognize the gentleman with tremendous responsibilities and the only member we have from Florida, Dan Mica. I am informed by Mack Fleming that he has one of the best staff directors and staffs we have here on Capitol Hill.

We have probably more veterans moving into Florida, into that State, than any other State. He is picking up thousands of veterans each month in the State of Florida and recently Mr. Mica with one of our staff personnel did go around and look at the veterans hospitals in Florida. So the Chair would like to recognize the gentleman from Florida, Mr. Mica.

Mr. MICA. Thank you, Mr. Chairman.

And you know I think it is great that I have the final say here today because I think——

The CHAIRMAN. That's been changed. The gentleman from Nashville, Tenn., just walked in.

Mr. MICA. Well, if you veterans will end up——

The CHAIRMAN. But the Chair will recognize the gentleman as long as he wants to go on his 5 minutes.

Mr. MICA. All right. I just think it is appropriate to be here toward the end, at any rate, because we do have special problems in Florida, and that problem is each and every one of you in this room. You are moving to Florida in great numbers. We are glad to have you. Where are the Florida veterans? If there are any, would you please stand up here?

Let's welcome them.

The three of us ought to welcome the rest of them, because they are on their way.

You know, Mr. Chairman, I have been on the committee 3 years. The first year I got here we had 5,000 veterans a month moving to Florida. I just completed a statewide tour of our VA hospitals and for the last 36 months we have maintained 5,000 veterans a month or more, moving to the State of Florida.

So we know what veterans problems are. I feel now being the only Congressman from Florida, that I have a special commitment not only to all of the veterans of Florida, but to veterans of this Nation because the last Veterans Administrator, and the present Veterans Administrator have said, "What happens in Florida portends the future for all veterans," and what's happening in Florida is not good.

The Miami facility, their outpatient clinic is designed for 135 visits a day—135 a day is now seeing over 1,000 people a day. The Miami clinic has an equipped nursing home unit with one wing closed down, fully equipped, because they can't afford the personnel to man it. That's criminal. I think that's wrong.

We have to make changes. I went to the facilities in Gainesville and St. Pete and Bay Pines. Visited some of the real heroes not only in this room, but in those spinal cord units. And those people tugged at the heartstrings and I wish all of the Members of Congress could do what I just did and see the needs of the Florida veterans. You know, as the veterans population—this is a projection that just came out this month—the next 15 to 20 years through the year 2000 is going to go down about 10 percent. In Florida it will go up 100 percent.

Now, you left something off this chart and it was very clear to me in Florida. Doctors told me everywhere I went as the age of our veterans population increases, they need four times the care of the younger groups after they are over the age of 60.

Now, in our area that increase will be 500 to 700 percent of the veterans will be over the age of 65. That's a phenomenal increase. These budgets do not reflect the adequate needs of the Veterans' Administration.

Now, the President says $200 million more. On the same page, and I just studied this budget, $200 million more for the veterans. On the same page he says medical benefits will be $500 million more in cost this year. Compensation and benefits $700 million more. Pensions $100 million more. That adds up to $1.3 billion more we are going to need just to stay even in the Veterans' Administration this year. And we are only getting $200 million more.

And the population of America's veterans are getting older. So I say this—and particularly I might add I visited Miami—this budget isn't adequate. We talked about all Americans here and I find it a bit humiliating. We are spending more than that $200 million on illegal aliens in Florida. On illegal aliens.

We have a duty here to stand up and say, maybe nationwide it's not that bad, but it's getting that bad, that we cannot stand for this. We have a new administration and we're still getting peanuts for the veterans. And we have got to make a change and I am going to vote "no" for any budget that doesn't do a little better for our veterans than this one. Thank you.

The CHAIRMAN. Thank you for those strong words this morning, Congressman Mica.

Before I recognize the gentleman from Tennessee, let me just say that we appreciate your being here today and that I know you have to be at the Senate at 11 o'clock. I believe we are right on schedule and I would like to recognize the gentleman from Tennessee, Mr. Bill Boner.

Mr. BONER. Mr. Chairman, I simply would like to say that we appreciate your being here. All of us on this committee work together in a very bipartisan effort to try to represent what we believe to be the interest of the veteran.

We appreciate your organization, and, Mr. Commander, we appreciate the leadership that you give.

Mr. Chairman, I will probably be the shortest speaker of all and perhaps being the last, let everybody get over to the Senate so they can lobby on that side.

Thank you all for being here.

The CHAIRMAN. Before you leave, let me say that Mr. Boner has an excellent chance of being a chairman of a subcommittee and we certainly hope he gets back on this committee again.

Meanwhile, I want to hold you just a minute. The room has been changed over in the Senate where you make your presentation.

We have really enjoyed having you here.

The meeting is now adjourned.

[Whereupon, at 10:38 a.m., the meeting was adjourned.]

APPENDIX

Prepared Statement of Sherman E. Roodzant, National Commander, Disabled American Veterans

Mr. Chairman and members of the committee, on behalf of the 700,000 members of the Disabled American Veterans, and its 85,000 member Auxiliary, may I say it is a distinct honor and privilege to appear before this Committee in presentation of the DAV's 1982 Legislative Program.

Mr. Chairman, in prior appearances before this Committee, National Commanders of the DAV have generally devoted a major portion of their oral presentations to addressing the several priority legislative goals that were approved by the delegates to our organization's most recent National Conventions.

I have decided to depart from that format today.

This should not be construed as a de-emphasis on my part regarding the merit or necessity of our 1982 legislative goals. Nor should it be thought that the DAV will not aggressively pursue them to their fruition. They are reasonable and just, designed primarily to benefit those most deserving and most in need—the wartime service-connected disabled veteran, his dependents and survivors.

As an attachment to my oral remarks, you will find my comments relative to certain VA program improvements that were approved in resolution form by the delegates to our 1981 National Convention. All have been the subject of recent, informal discussion between our Washington Staff and your own Committee and Subcommittee Counsels. I urge your sympathetic, favorable consideration of these measures as this Second Session of the 97th Congress progresses.

But for now, Mr. Chairman, I wish to say some things that I believe would be voiced by virtually every wartime veteran in this country, had they this same opportunity. I have been given the formidable task of speaking on their collective behalf and I ask that you remain cognizant of this during my remarks. In addition to you and the members of this Committee—who have on so many occasions "fought the good fight" for all of us—I want you to keep in mind that I am really speaking to the Congress as a whole. For the great issues and concerns that confront our nation's system of veterans' benefits and services today can only be resolved through a consensus reached by all of your colleagues in the House and Senate.

Mr. Chairman today, in this country, we veterans are confused, angry and just plain scared.

We are confused because we thought the statutory protection accorded our benefits system was based upon that time-honored, inviolate premise: Yes, those who served in time of war are deserving of a special status in their country.

Yet we see and hear people in policy-making positions both in and out of government calling for dissolution of our benefit programs, stating that we veterans are a drain on the American taxpayer, and that those of us who do have benefit eligibility and do use the system should be relegated to the role of just another public charge.

We ask oursevles; Are not the vast majority of 30 million living veterans also taxpayers? Haven't we been productive, hardworking citizens most of our lives? Don't we veterans and our families, who comprise almost one half of our nation's total population, have the same stake in our society and don't we share in the day to day sacrifices and setbacks that confront all Americans?

And we wonder just what happened to all the praise and all the words of support that were lavished upon us when we put on our uniforms and marched off to four major wars in just this century.

We are angry because we read editorials in newspapers across the country and hear statements from high public officials that blandly imply we veterans "have it made" at public expense:

"Veterans Finding No Austerity" proclaims the New York Times.

"The Veterans Administration is the fattest pig we have . . . it is time the veterans shared in solving the problems of this country" are words spoken on the floor of the U.S. Senate.

"And from a House member pondering the future cost of VA medical care we hear: "One possible solution is increase the eligibility requirements of veterans . . . merge veterans' services with other benefit programs . . . use community facilities instead of VA."

And again we ask ourselves, aren't these people aware that the VA has been taking its fair share of cutbacks for years? That VA's proportionate share of total federal outlays has been steadily declining for over a decade—from 4.6% in 1971 to 3.5% just last year? That real growth in VA program outlays has, in fact, been negative growth?

Don't they know—or care—about hospital bed losses, treatment ceilings, and physician and nursing shortages that have all combined to turn thousands of eligible veterans away from the system?

Do they realize that recently instituted pension reform has stiffened eligibility requirements, focused benefits on those with poverty level incomes and already reduced program costs by millions of dollars?

Why do groups like the Heritage Foundation, that advocate the sale of VA hospitals to the private sector, refuse to acknowledge that "mainstreaming" indigent veterans would only result in additional federal expenditures and compound the problems of hospital cost containment?

What kind of mentality is it that believes veterans have not shared in our country's problems?

And, Mr. Chairman, we are scared in the sense that every man fears for the financial security of his family. Will a lengthy illness wipe out our savings because we find we are no longer eligible for a VA hospital bed? Will some in Congress again attempt to "save" hundreds of millions of dollars by striking many of us from the compensation rolls? What are the real purposes of the so-called "program reviews" that are occurring with more and more frequency and will we lose our VA Regional Offices through consolidation?

Mr. Chairman, this atmosphere of fear and apprehension has come to the point where many of us hesitate to seek medical treatment for our service-connected disabilities because we are afraid the VA will use the occasion to take away or reduce our benefits. We're losing our trust in the Agency. Is this what the Congress wishes? Is this to be the final solution to what some regard as the veteran "problem"—force us out of, or frighten us away from, the system?

Mr. Chairman, like it or not, veterans' benefits are part of the costs of war. And it is time our nation's leaders responsibly face up to that fact.

John F. Kennedy once said:

"A nation reveals itself not only by the men it produces but also by the men it honors, the men it remembers. We owe a continuing debt to those men and women who have put aside their lives to serve in this country's Armed Services."

That is the moral side of the question and I submit to you that how it is answered can and will affect the future strength of America just as much, if not more so, than any answer based on economics.

Mr. Chairman, let me just take a few moments to set the record straight on VA spending levels. Just how much have they contributed to the financial chaos which some say faces our federal government today?

I would like you to consider some figures concerning the federal social welfare spending that has occurred in this country during the past 30 years. The entire gamut of public assistance programs—huge portions of which go to categories who have never done a thing for this country, much less risked their lives—are compared to veterans.

FEDERAL SOCIAL WELFARE EXPENDITURES, SELECTED FISCAL YEARS, 1950–79 [1]

[Dollar amounts in millions]

Program	1950	1955	1960	1965	1970	1975	1979	Ratio of increase (fold)
Total	$10,541.1	$14,622.9	$24,956.7	$37,711.7	$77,337.2	$167,435.8	$264,118.4	24
1. Social insurance	2,103.0	6,385.0	14,307.2	21,806.6	45,245.6	99,715.0	163,743.7	77
2. Public aid	1,103.2	1,504.2	2,611.9	3.593.9	9,648.6	27,204.6	43.611.5	39

FEDERAL SOCIAL WELFARE EXPENDITURES, SELECTED FISCAL YEARS, 1950–79 [1]—Continued

[Dollar amounts in millions]

Program	1950	1955	1960	1965	1970	1975	1979	Ratio of increase (fold)
3. Health and medical	$603.5	$1,150.3	$1,737.1	$2,780.6	$4,775.2	$8,512.8	$12,150.2	20
4. Education	156.7	485.1	867.9	2,469.8	5,875.8	8,629.4	12,096.9	77
5. Housing	14.6	74.7	143.5	238.2	581.6	2,540.7	5,801.9	397
6. Other social welfare	174.0	251.7	416.7	812.0	2,258.9	4,263.6	6,448.6	37
7. Veterans	6,386.2	4,771.9	5,367.3	6,010.6	8,951.5	16,569.7	20,265.6	3

[1] Department of HHS, Social Security Administration, Social Security Bulletin, Vol. 44, No. 11, November 1981.

Is there doubt in anyone's mind regarding the deterioration and loss of priority that has occurred in VA spending levels during this short 30 year period? From a low of a 20 fold increase for the health and medical category to the unbelievably high 397 fold increase for housing, all non-veteran social welfare spending has risen astronomically. And the VA over the same period? A 3 fold increase.

Mr. Chairman, even if 1950 VA benefit levels had remained constant during this 30 year period, one could not criticize the increase in VA spending, for the rate of inflation during the same period rose by some 242 percent.

But the Agency was not faced with rising costs alone.

From 1950 to 1980 our nation fought in two major armed conflicts—one of which was the longest in our history. Our veteran population increased from some 18½ million to over 30 million. Hundreds of thousands of veterans were added to the compensation and pension rolls. Two major GI Bill Programs educated hundreds of thousands more. Facing up to our nation's responsbility to provide adequate medical care for veterans, 20 separate major health care bills were approved by the Congress and 19 hospitals were added to the system.

And yet this increase in consumer demands was met, this expansion of the system was accomplished, within the confines of a 3 fold budget growth. Isn't it a shame that all our nation's so-called "social obligations" could not have been addressed in a similar fashion? Rather than criticizing and cutting back on VA programs, we should do all that we can to insure their viability and hold them out for emulation.

The "fattest pig" indeed! Is it any wonder that veterans in this country fear for an objective analysis of their programs?

And let me emphasize, Mr. Chairman, that we veterans, especially those of us who are service-connected disabled, recognize that objectivity and responsibility is a two-way street. The DAV, even in the best of times, has always made a conscious effort to approach this Committee and the Congress from a standpoint of moderation. Reasonable, justifiable program improvements combined with protection of program integrity have been our fundamental goals in advancing the interests of the wartime disabled.

And in "hard times" such as we now have, we have been, and will continue to be, willing to sit down with this Committee and those of Budget and Appropriations in realistic discussion of adequate VA funding with available, finite resources.

And in the spirit of objectivity, I will state that there are certain aspects of the Fiscal Year 1983 budget request which do meet with our approval. With a few exceptions, this is especially true in the area of health care. Whether this is a genuine "turn around" on the part of OMB or merely an election year "respite," remains to be seen.

Conversely, I am appalled to note that of the $233.6 million proposed legislative savings, over half—$165.4 million—would be achieved through major reductions in the benefits of thousands of service-connected disabled veterans—many of whom would be combat disabled and most of whom would be Vietnam Era.

Aside from the obvious dollar factor, there appears to be little rhyme or reason for this attack on service-connected benefits. Consider one brief example:

Would anyone in Congress care to attempt to explain or justify to a service-connected below the knee amputee, who has a wife and two children, that, commencing in October 1, 1982 his monthly benefit check will be increased by $19 and, effective the same date reduced by $61—a net loss of $42 per month?

If accepted by the Congress, this is exactly the type of "good news/bad news" joke that would be played upon thousands of disabled veterans by the Administration's

proposal to increase compensation rates while concurrently eliminating certain dependency allowance entitlements. Needless to say, we in the DAV are not laughing.

Mr. Chairman, at the outset of my remarks, I underscored that, through you, I intended to address the entire Congress. I now wish to narrow my focus to you and the members of the Committee.

The Disabled American Veterans, indeed, all veterans in this country, are in your debt. You, Mr. Chairman, Mr. Hammerschmidt, the members of this Committee and its most excellent staff are our true friends on Capitol Hill. We know that. We deeply appreciate that.

Your door has always been open to us. You have always given our legislative objectives your undivided attention. Many times you have acted favorably and decisively upon them. Title 38, our codification of veterans' laws, includes many benefits and services that began as DAV National Convention mandates. And on those occasions when we have found ourselves not in total agreement, you have always been honest and forthright in stating your position.

Just this past year, the personal intervention of you, Mr. Hammerschmidt and others, turned what could have been disaster into victory for our VA Programs. Regional Office consolidation was thwarted, hospital staffing and bed levels were protected, the contracting out of essential Agency services was rebuffed and elimination of the 10 percent service-connected rating for hundreds of thousands of veterans was turned aside.

We are indeed, fortunate to have a House Veterans Affairs Committee of such high caliber.

This completes my formal presentation, Mr. Chairman. I know that in the coming year, those of us who consider ourselves to be veterans' advocates will be sorely tested in fulfilling our responsibilities. Working together, I am confident that we shall not fail.

Thank you again for the opportunity to appear before you today.

DAV Legislative Goals—1982

DISABILITY COMPENSATION AND DIC INCREASE

Mr. Chairman, it is a fact that this Committee has been most steadfast in assuring that VA service-connected disability and death compensation benefits are periodically adjusted in order to offset inflationary pressures. The most recent disability compensation increase recommended by this Committee and approved by the Congress in the Fall of last year represented the eighth such increase in as many years.

We in the DAV are most grateful for these efforts, as no one is more acutely aware of the ravages of inflation as disabled veterans and widows who depend upon their compensation and DIC benefits to provide the essentials of food, clothing and shelter.

At this time 1982 appears to offer some respite from the double digit inflationary rate that has plagued our country for the past several years. We sincerely hope this indeed will prove to be true. Noting that the Fiscal Year 1982 VA budget request recently submitted to the Congress proposes an 8.1% cost of living adjustment in service-connected disability compensation and DIC benefit rates, we urge the Committee to give a number one priority status to the consideration of such legislation.

DEPENDENCY AND INDEMNITY COMPENSATION (DIC) IMPROVEMENTS

Mr. Chairman, through action by our National Convention delegates and the DAV's National Executive Committee, we propose two program improvements in the Dependency and Indemnity Compensation Program.

Resolution No. 485, approved by our 1981 National Convention, calls for the establishment of one standard rate for all DIC payments to surviving spouses.

Mr. Chairman, as you are most aware, dependency and indemnity compensation is paid to an eligible surviving spouse if the veteran's death was not the result of misconduct and if it was attributable to a service-connected disability. Under present law (Section 411, Title 38, USC), these monthly rates are based upon the military rank of a serviceman at time of death, if death occurred while on active duty, or the rank of the serviceman at time of discharge, if death occurred subsequent to active duty. There are at present some 23 separate and distinct DIC payments under the formula which range from a low of $415 per month for the widow of a private (pay grade E-1) to $1,061 per month for the widow of a four star general/admiral (pay grade 0-10). (Two additional higher payments are authorized in cases where the veterans served as the senior noncommissioned officer of any one of the uni-

formed services or if the veteran occupied the top post in the Army, Navy, Air Force or Marine Corps.

Mr. Chairman, it is not my intention to address at this time the premise upon which the present multiple formula DIC payment system is based. Rather, I wish to bring to your attention the basic flaw of a system that, seemingly, offers discriminatory payments to widows who have essentially suffered the same terrible loss.

Is the life of a private less "valuable" than the life of a corporal? A sergeant? Why should the widows of two men cut down by the same burst of enemy fire receive varied payments?

These are not easy questions to answer, Mr. Chairman, and I realize that in a very real sense they represent an oversimplification of the problem. One can well argue that the widow of a general who spent 30 some years in the military has suffered a greater financial loss in terms of economic life style than the widow of a private with one year of active duty and relatively low pay.

Still, the basic flaw persists. The pay grades of an enlisted E–1 and E–2 or an officer O–1 and O–2, or any other combination, are not that far removed in terms of pay, responsibility and length of service to warrant the degree of variance we find in our DIC payment formula.

Our goal calls for one standard payment. I recognize that this in itself creates the "problem" of establishing just what that one standard payment should be. Furthermore, should it apply to all widows now on the DIC rolls? Should it be prospective?

But I submit to you, Mr. Chairman, that our proposal and the reasons behind it can and should serve as a starting point to at least address the issue. I therefore urge your Committee to hold hearings on this subject in 1982.

Mr. Chairman, our second DIC proposal concerns an anomaly that has come to our attention with respect to the "presumptive" DIC payments that were authorized by Public Law 95–479.

As you are aware, Public Law 95–479 authorized the payment of DIC benefits to the survivors of veterans whose deaths were not service-connected, if such decreased veterans had been continuously rated as service-connected, totally disabled for ten or more years immediately preceding death, or if for a lesser period, were totally disabled for a period of not less than five years from date of discharge from service.

It has been recently held by the VA General Counsel and now considered policy by the VA that when such a totally disabled veteran dies, DIC is payable only in those instances where the veteran has actually been in receipt of compensation at the 100 percent rate for ten or more years. An exception is made if a veteran is not in receipt of compensation due to the receipt of military retirement pay. However, no concessions are made for those veterans who are found to have had entitlement to receive the 100-percent rate but, based upon the presence of a clear and unmistakable error in a previous VA decision, did not actually receive the compensation payment for the full ten years.

It is with this policy that the DAV takes issue. We feel that if the facts of a case are sufficient, and a veteran, except for VA error, would have been entitled to receive VA compensation at the 100-percent rate for ten years prior to death, entitlement to DIC payments should be extended.

VA General Counsel, however, has held that clear and unmistakable error in a previous decision cannot be declared post-humously to create entitlement to DIC benefits, as during the veteran's life time available remedies of law existed. Should the veteran have felt that the percentage evaluation for disability was arbitrarily low (the Counsel argues), these remedies could have been applied. The General Counsel also stated that if a clear and unmistakable error existed, then it would be very unlikely that it would have gone unremedied if the veteran exhausted all avenues of redress.

While there may be a degree of credence to this opinion, Mr. Chairman, we believe that such an argument cannot be applicable in all cases. We are reminded that not all veterans have or seek representation from the accredited service organizations and that there are areas of VA law, regulation and disability evaluations that are so technical in nature the average veteran would not be in a position to question a VA decision.

Prior to the General Counsel's opinion (March 24, 1981), the Board of Veterans Appeals (BVA) had latitude to correct a previous error for the purpose of establishing entitlement to DIC payments under Section 410(b)(1), and we are aware of one such decision. However, since publication of the General Counsel's Opinion, VA policy has been established which precludes BVA from allowing DIC benefits in these circumstances. A recent decision made by the Board dealt with a service-connected veteran rated totally disabled for 9 years, 361 days immediately preceding death. An allegation of VA error that would have established an earlier effective

date was dismissed by the Board as being moot, even though the allegation was correct.

Accordingly, Mr. Chairman, we respectfully request that the Committee carefully study the language of this statute and give consideration to amending current law so as to provide DIC payments to those widows of deceased veterans who, at the time of their deaths, were evaluated as totally and permanently disabled from service-connected causes for ten continuous years and who were in receipt of or entitled to receive compensation at the 100 percent rate. There is no significant cost factor of any degree associated with this proposal.

MORTGAGE PROTECTION LIFE INSURANCE FOR 100 PERCENT SERVICE-CONNECTED DISABLED VETERANS

Mr. Chairman, Section 806 of Title 38, U.S. Code authorizes the VA Administrator to purchase from commercial life insurance companies mortgage protection life insurance policies on a group basis for those service-connected veterans who have purchased housing under Section 801, Title 38, U.S. Code—the VA's Specially Adapted Housing Program.

Under present law, such permanently and totally disabled service-connected veterans are granted mortgage protection life insurance not to exceed $40,000 or the amount of the mortgage, whichever is the lesser. The maximum insurance liability is reduced as the mortgage is amortized and is only available to the holder of the mortgage. No insurance is payable if the mortgage is paid off prior to the death of the veteran or if the veteran is age 70 years or older.

Generally, such veterans' mortgage life insurance is provided to these severely disabled veterans on a cost sharing basis—with the federal government covering the increased cost of such insurance that is based on the veteran's service-connected disability.

As stated, Mr. Chairman, the $40,000 mortgage protection life insurance is only available to eligible service-connected veterans who have purchased a home under the VA's special adapted housing program. All veterans participating in the Special Adapted Housing Program are advised of their eligibility for this insurance.

Mr. Chairman, a resolution approved by the delegates to our most recent National Convention proposes to extend VA mortgage protection life insurance to service-connected veterans rated permanently and totally disabled—but who are not eligible under the VA's Specially Adapted Housing Program as contained in Section 801, Title 38, USC.

Mr. Chairman, in testifying before the Congress prior to the enactment of Public Law 92-95, which created the current Mortgage Protection Life Insurance Program, the Veterans Administration pointed out:

"Few, if any, of these veterans can obtain mortgage protection life insurance from commercial sources. These veterans have suffered greatly and deserve our most sympathetic understanding and consideration. Viewing these facts alone, the bill would appear to warrant favorable consideration."

We believe this same reasoning applies to the category of veterans addressed in our resolution. They too are excluded from the commercial life insurance marketplace because of their totally disabling service-connected conditions. I urge the Committee to give favorable consideration to this proposal

CHAPTER 42, TITLE 38, U.S. CODE, PROGRAM IMPROVEMENT

Mr. Chairman, on December 3, 1974 Public Law 93-508, the Vietnam Era Veterans' Readjustment and Assistance Act of 1974, was signed into law. Among other things, this measure established a program of Affirmative Action for certain disabled and Vietnam Era veterans seeking employment with private sector employers who hold federal government contracts. Specifically, the law requires that private employers contracting with the federal government in the amount of $10,000 or more shall take affirmative action to employ and advance in employment qualified special disabled veterans and veterans of the Vietnam Era. A "special" disabled veteran is defined as one who was released or discharged from active duty because of a service-connected disability or a veteran who has a service-connected disability evaluated at 30 percent or more disabling.

Mr. Chairman, we believe the definition of disabled veteran for employment emphasis under federal contractors should be modified to encompass any veteran with a compensably rated service-connected disability—thus adding the 10- and 20-percent disabled categories.

We wish to point out that this same law (P.L. 93-508) modified the definition of a disabled veteran for purposes of VA vocational rehabilitation benefits—Chapter 31,

Title 38, USC—from a 30-percent service-connected disabled veteran to one who has a compensably rated service-connected disability. Furthermore, Affirmative Action requirements for the hiring and advancement of disabled veterans in federal government employment define disabled veterans as those who have a compensably rated service-connected disability.

Why should private sector employers with government contracts have less stringent requirements for hiring disabled veterans than our own federal departments and agencies? I urge that the Committee act favorably upon this proposal.

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